



JENNIFER M. GRANHOLM
GOVERNOR


STATE OF MICHIGAN
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
DAVID C. HOLLISTER, DIRECTOR

MSHDA
MICHIGAN STATE HOUSING
DEVELOPMENT AUTHORITY
RICK L. LABER
ACTING EXECUTIVE
DIRECTOR

MEMORANDUM

January 4, 2005

TO: Owners/Managers of LIHTC & MSHDA Direct Loan Developments

FROM: Sherri Davio, Compliance Manager 

SUBJECT: 2004 Year End Reporting

The Michigan State Housing Development Authority is in the process of converting its outdated mainframe computer systems to Microsoft Windows/World Wide Web based applications. The new software will streamline many of the ways the Authority conducts business, including the process of reporting year-end tenant data.

Year-end tenant data for 2004 will be entered directly into the web application, instead of utilizing the "Tenant Income and Rent Report" (TIRR) or the "Tenant Data Form" spreadsheets. In 2005, tenant data will be entered into the system when an event occurs, eliminating the stressful year-end reporting process.

MSHDA expects to convert software programs by the end of January or early February 2005. Therefore, the usual submission deadline date of February 1st will be extended for all developments. Owners/Managers will have the opportunity to test the new web application for a period of time in a test environment. MSHDA will notify owner/managers when the test system is available, and will provide instructions on how to access the system.

After the software conversion is completed, MSHDA will notify owners/managers of the deadline date for year-end reporting.

Outlined below are other required documents that must be completed for developments based on their funding sources.

I. 2005 Process

For 2005, MSHDA will be changing the annual collection of tenant data to an event driven collection. When an event occurs (move-in, move-out, recertification, etc), data related to the event must be entered into MSHDA's web application. This process will allow Compliance staff to more effectively monitor developments on a ongoing basis looking at current, not past, tenant data.

There will still be additional yearly documents required for LIHTC developments as noted below.

II. 2004 Process

As in past years, MSHDA needs to collect tenant data on all households that have occupied units in the development. This information is needed for low-income and market units. When the web application is implemented, detailed instructions will be provided.

If the development has not reported tenant data in prior years, MSHDA will need to setup building and unit numbering prior to entry of tenant data on the web. Please complete the "List of Unit Numbers" form located on MSHDA's website and submit the form to MSDHA by February 1, 2005. Instructions for finding this form are noted below.

III. Other Required Documents for LIHTC Developments

(All developments with tax credits including, but not limited to MSHDA Direct Lending, Section 8, Section 236, and RHS)

If tax credits have not yet been claimed and will not be claimed for 2004, the owner must submit the following form:

- First Year Credit Statement

If tax credits have been claimed in prior years or are being claimed for 2004, the owner must submit the following forms:

- Owner Certification
- Utility Allowance Documentation form
- First Year Credit Statement
 - Must be completed by the owners of all the projects which first claimed credit for 2003 or 2004.
- Common Area Unit Designation Statement
 - Must be completed by owners of projects which first claimed credit for 2003 or 2004.
- First Year's IRS Forms 8609 (with Part II completed, signed, and dated)
 - Must be submitted by owners of projects, which first claimed credit for 2003 or 2004, and by owners who have not previously submitted the IRS 8609(s) to MSHDA

The documents listed above can be downloaded from MSHDA's web site at www.michigan.gov/mshda. (Click on "Landlords", tab on the left side, then "Compliance for Rental Housing", then "Forms", then "Year End Reports".) If you are unable to download the forms, access the website, or have additional questions, please contact Cassandra Brown at browncas@michigan.gov or (517) 241-0765.